

ASX CODE

AXI

ISSUED CAPITAL

Ordinary Shares
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1 April 2019

ASX ANNOUNCEMENT

NOTICE OF UNMARKETABLE PARCELS SHARE BUY-BACK

Adelaide, Australia, Monday 1 April 2019: Axiom Properties Limited (Company) (ASX:AXI) is pleased to announce today the details of a buy-back offer for holders of less than marketable parcels of shares in the Company (**Buy-Back**). Under the ASX Listing Rules, holdings of the Company's shares valued at less than \$500 are considered to be less than marketable parcels (**Unmarketable Parcels**).

Your Directors value all of the Company's shareholders but also recognise that holders of Unmarketable Parcels may find it difficult or costly to dispose of their shares. The proposed Buy-Back will allow holders of Unmarketable Parcels to sell their shares in the Company without incurring brokerage and other expenses. A 'buy-back' approach also allows eligible holders of Unmarketable Parcels to receive the proceeds from the sale of their shares on a more timely basis than if a 'share sale facility' approach was used to dispose of shares.

The Buy-Back will also assist in reducing share registry and other administrative costs for the Company associated with maintaining a large number of small shareholders. Of the Company's **609** current shareholders, **36.95%** hold Unmarketable Parcels.

Based on the share register of the Company as at 7pm (Sydney time) on **Friday, 29 March 2019 (Record Date)**, and a Buy-Back price of **\$0.039** per share (being the closing Company share price on the ASX on the Record Date):

- (a) A less than marketable parcel is any shareholding of **12,820** or less;
- (b) **225** out of **609** shareholders hold Unmarketable Parcels, totalling **1,228,074** shares; and
- (c) The aggregate value of the Company's shares held by all holders of Unmarketable Parcels, based on the Buy-Back price, is **\$50,234.89**.

The Company will pay for all costs related to the Buy-Back (excluding tax consequences of the disposal of shares, which remain the responsibility of holders of Unmarketable Parcels).

The shares acquired by the Company under the Buy-Back will be cancelled in accordance with the Corporations Act 2001 (Cth).

The Company shareholders who own 12,821 or more shares will not be eligible to participate in the Buy-Back.

A summary of the key dates in relation to the Buy-Back of the Unmarketable Parcels is as follows:

Unmarketable Parcels Record Date	7pm (Sydney time), 29 March 2019
Letter to holders of Unmarketable Parcels	3 April 2019
Closing Date for receipt of Share Retention Form	5pm (Sydney time), 15 May 2019
Cancellation of Buy-Back shares	20 May 2019
Estimated Unmarketable Parcels payment date	Within 10 business days following the Closing Date

The enclosed letter to shareholders and Share Retention Form (including contact details for further information in respect of the Buy-Back) will be sent out to all holders of Unmarketable Parcels on **3 April 2019**.

About Axiom Properties Ltd

Axiom Properties Ltd is a property development and investment business focused on developing and delivering quality property solutions. Axiom's principal objective is to create long term value for shareholders through creating a well-respected property development and investment company that consistently delivers above industry returns on capital. Axiom's current portfolio of development opportunities include a major mixed-use residential, retail and carparking complex in Sydney's Double Bay, a mixed-use hotel and office development in Adelaide's CBD and a 600-lot residential subdivision in Mt Barker in the Adelaide Hills. The end value of the current pipeline exceeds \$800m.

For more information, please contact:
Paul Santinon
Company Secretary
+61 8 8120 2400



1 April 2019

Dear Shareholder

Buy-back of less than a marketable parcel of shares

As announced on **1 April 2019**, Axiom Properties Limited (**Company**) (ASX: AXI) intends to complete a buy-back of ordinary shares for shareholders that hold less than a marketable parcel of shares as at 7pm (Sydney time) on **29 March 2019 (Record Date)**.

Your Directors recognise that holders of the Company's shares valued at less than \$500 (**Unmarketable Parcels**) may find it difficult or costly to dispose of their shares. In order to allow these shareholders to sell their shares without incurring brokerage and other expenses, and to reduce the share registry and other administrative costs for the Company, the Directors have resolved to undertake a buy-back of Unmarketable Parcels under the terms set out in this letter of offer, the ASX listing rules and the procedure in the Company's constitution (**Buy-Back**).

Shares purchased by the Company under the Buy-Back will be cancelled in accordance with the *Corporations Act 2001* (Cth).

Based on the buy-back price of **\$0.039** per share (being the closing Company share price on the ASX on the Record Date) an Unmarketable Parcel is any shareholding of **12,820** shares or less. Our share registry shows that the number of shares held by you, or an entity that is associated with you, as at the Record Date is an Unmarketable Parcel.

Your options:

1. If you would like the Company to purchase your Unmarketable Parcel of shares for **\$0.039** per share, you do not need to do anything.
2. If you do not want your shares to be purchased by the Company under the Buy-Back, you must complete the enclosed Share Retention Form and return it to Computershare Investor Services Pty Limited as per the address shown on the form (**Registry**) by no later than 5pm (Sydney time), 15 May 2019 (**Closing Date**).

You are advised to allow reasonable time for the Share Retention Form to be received by Registry by the Closing Date, if you hold shares in multiple holdings, some of which are Unmarketable Parcels, then the Company will purchase those Unmarketable Parcels unless a Share Retention Form is received for each holding.

If your shareholding is purchased, the sale proceeds will be forwarded to you by the Registry on behalf of the Company as soon as practicable after the Closing Date.

Key Dates

Unmarketable Parcels Record Date	7pm (Sydney time), 29 March 2019
Letter to holders of Unmarketable Parcels	3 April 2019
Closing Date for receipt of Share Retention Form	5pm (Sydney time), 15 May 2019
Cancellation of Buy-Back shares	20 May 2019
Estimated Unmarketable Parcels payment date	Within 10 business days following the Closing Date

The Company makes no recommendation as to whether you should participate in the Buy-Back.

You should seek independent professional advice when deciding whether to retain your shares and if you have any questions on how the sale may affect you.

It is important to note that the market price of the Company's shares will change from time to time. The buy-back price may be less than the actual market price at the time of sale and may not be the best price obtainable on the day your shares are bought back.

While the Company will pay for all costs associated with this sale, any taxation consequences arising from the disposal of Unmarketable Parcels under this Buy-Back will be your responsibility.

Please consult your legal, financial or taxation advisor if you require information regarding possible taxation implications of the Buy-Back.

If you require further information in respect of the Buy-Back, please contact Computershare Investor Services Pty Limited, **1300 556 161** on business days between the hours of 9am and 5pm (Sydney time) Monday to Friday.

Yours faithfully
Axiom Properties Limited



Ian Laurance A.M.
Chairman

INFORMATION SHEET – AXI UNMARKETABLE PARCEL SHARE BUY-BACK**What is an unmarketable parcel of shares?**

Under the ASX Listing Rules, any shareholding valued at less than \$500 is considered to be less than a marketable parcel of shares.

As at the close of trade on the Record Date, an unmarketable parcel of AXI shares is any shareholding of **12,820** shares or less based on the Buy-Back price of **\$0.039** per share, being the closing Company share price on the ASX on the Record Date (**29 March 2019**).

This represents **1,288,074** shares held by **225** affected shareholders.

Why is the Company focusing on small shareholdings?

While the Company welcomes the support of all shareholders, those who hold a small number of shares often find it difficult or costly to dispose of their shares, and may not have access to a broker. There are also administrative costs, which apply regardless of the size of the shareholding. As such, this cost is often disproportionately high and is presently a cost burden for the Company.

What price will I receive for my shares?

The price that you will receive for your shares under the Buy-Back is **\$0.039** per share, being the closing Company share price on the ASX on the Record Date.

When will I receive the proceeds of the Buy-Back?

If your shareholding is purchased, the sale proceeds will be remitted to you as soon as practicable after the Closing Date. Payment will be made in Australian dollars (AUD) and will be remitted via EFT or sent to you by cheque at the address recorded in the register of members. If you need to update your current bank details, or have not previously provided them, please complete and return the enclosed Direct Credit form to facilitate payment via EFT.

What do I need to do to retain my shares?

You have two options if you wish to keep your shares.

- (a) Sign and return your Share Retention Form to:

Computershare Investor Services Pty Limited
GPO Box 1326
Adelaide SA 5001

Please ensure your completed form is received by 5pm (Sydney time) on **15 May 2019**. If your completed form is received by that time, your shares will not be bought back. Written instructions should be mailed to the same address if you wish to withdraw your form after you have lodged it.

- (b) Increase the number of the Company's shares you hold to a marketable parcel. You could do this by merging multiple holdings or acquiring an additional amount of the Company's shares on market such that your registered holding at the Closing Date is **12,821** shares or greater.

What happens if I do not submit a Share Retention Form?

If your shareholding remains as an unmarketable parcel of shares at 5pm (Sydney time) on **15 May 2019** all shares held under the Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) will be bought-back and cancelled by the Company.

Where can I get further information?

If you have any further questions concerning your shareholding or how the Buy-Back will work, please contact the Company's share registry, Computershare Investor Services Pty Limited **1300 556 161** on business days between the hours of 9am and 5pm (Sydney time) Monday to Friday.

Important Notes

The Company reserves the right to change any of the dates referred to in this letter by notice to the ASX.

This letter and accompanying information sheet do not constitute advice and are not intended as a recommendation to buy, sell, or hold shares, or as a recommendation that the Buy-Back is the best way to sell your shares.

The sale of shares can have tax consequences. If you are in doubt about what to do, you should consult your independent legal, financial or taxation adviser.